

**Proposal to Provide
Administrative and Technical
Support Services to the
Golden Field Office**

**Volume III
Cost Proposal
November 9, 2004**

**Submitted in Response to RFP No.
DE-RP36-04G094027**

**Submitted to:
Mary Hartford
Contracting Officer
US Department of Energy
Golden Field Office
1617 Cole Blvd
Golden, CO 80401**

**Submitted by:
Navarro Research and Engineering, Inc.
669 Emory Valley Road
Oak Ridge, TN 37830
(865) 220-9650
navarro@navarro-inc.com**

This proposal includes data that shall not be disclosed outside the Government, and shall not be duplicated, used, or disclosed--in whole or in part--for any purpose other than to evaluate this proposal. If, however, a contract is awarded to this Offeror as a result of--or in connection with--the submission of this data, the Government, shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting contract. This restriction does not limit the Government's right to use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in all sheets of this proposal.



TABLE OF CONTENTS

Section 1	1
Exhibit A	1
Exhibit B	8
Exhibit C	18
Exhibit D	20
Exhibit E	23
Exhibit F	25
Basis for Proposed Direct Costs	27
Section 2	29
Total Compensation Plan	29
Impact of Project	31
Cognizant Government Audit Agency	31
Section 3	33
Summary of Exceptions/Deviations	33



RFP No. DE-RP36-04GO94027
November 9, 2004

COST PROPOSAL

SECTION I

EXHIBIT A

REDACTED
EXEMPTION 4

**REDACTED
EXEMPTION 4**

REDACTED
EXEMPTION 4

2

**** You may modify the names/placement of indirect cost categories to conform to your accounting system.**

EXHIBIT A
CONTRACT COST SUMMARY
BASE YEAR 1 and 2

1. COST ELEMENTS	F	
2. Labor Expenses		
3. Subcontracts (if applicable)		
7. SUBTOTAL		
9. TOTAL COST		
11. Cost of Money (if applicable)		
12. TOTAL PRICE	\$	6,579,214.10

**REDACTED
EXEMPTION 4**

NOTES: * Unburdened labor dollars only.

** You may modify the names/placement of indirect cost categories to conform to your accounting system.

EXHIBIT A

CONTRACT COST SUMMARY

BASE YEAR 1

COST ELEMENTS	BASE YEAR 1
	REDACTED EXEMPTION 4
5. Subcontracts (if applicable)	-
7. SUBTOTAL	
9. TOTAL COST	\$ REDACTED EXEMPTION 4
11. Cost of Money (if applicable)	\$
12. TOTAL PRICE	\$ 3,248,994.62

NOTES: * Unburdened labor dollars only.

** You may modify the names/placement of indirect cost categories to conform to your accounting system.

EXHIBIT A

CONTRACT COST SUMMARY BASE YEAR 2

COST ELEMENTS	BASE YEAR 2
5. Subcontracts (if applicable)	-
7. SUBTOTAL	
9. TOTAL COST	
11. Cost of Money (if applicable)	\$
12. TOTAL PRICE	\$ 3,330,219.48

REDACTED
EXEMPTION 4

REDACTED
EXEMPTION 4

NOTES: * Unburdened labor dollars only.

** You may modify the names/placement of indirect cost categories to conform to your accounting system.

EXHIBIT A

CONTRACT COST SUMMARY OPTION YEAR 1

COST ELEMENTS	OPTION YEAR 1
1. [REDACTED]	[REDACTED]
5. Subcontracts (if applicable)	-
7. SUBTOTAL	\$ [REDACTED]
9. TOTAL COST	[REDACTED]
11. Cost of Money (if applicable)	\$ [REDACTED]
12. TOTAL PRICE	\$ 3,413,474.97

NOTES: * Unburdened labor dollars only.

** You may modify the names/placement of indirect cost categories to conform to your accounting system.

EXHIBIT A
CONTRACT COST SUMMARY
OPTION YEAR 2

COST ELEMENTS	OPTION YEAR 2
	REDACTED EXEMPTION 4
5. Subcontracts (if applicable)	-
7. SUBTOTAL	
9. TOTAL COST	REDACTED EXEMPTION 4
11. Cost of Money (if applicable)	\$
12. TOTAL PRICE	\$ 3,498,811.84

NOTES: * Unburdened labor dollars only.

** You may modify the names/placement of indirect cost categories to conform to your accounting system.

EXHIBIT A

CONTRACT COST SUMMARY OPTION YEAR 3

COST ELEMENTS	OPTION YEAR 3
	REDACTED EXEMPTION 4
5. Subcontracts (if applicable)	-
7. SUBTOTAL	\$
9. TOTAL COST	REDACTED EXEMPTION 4
11. Cost of Money (if applicable)	\$
12. TOTAL PRICE	\$ 3,586,282.14

NOTES: * Unburdened labor dollars only.

** You may modify the names/placement of indirect cost categories to conform to your accounting system.



EXHIBIT B

EXHIBIT B

SUMMARY OF DIRECT LABOR BY CONTRACT PERIOD

Contract Period: (Base Year 1)

LABOR CATEGORIES	PROPOSED HOURS	PROPOSED HOURLY RATE*	TOTAL COST
Administrative and Technical Support			
Project Manager	1880		
Project Monitor/Engineer	43240		
Admin Assistant	3760		
Program Support	3760		
Procurement Specialist	9400		
Cost/Price Analyst	1880		
NEPA Specialist	1880		
Closeout Specialist	1880		
Public Affairs Spec	1880		
Paralegal	1880		
LAN Administrator	1880		
Sr. Technical Support Spec	3760		
Computer Programmer	3760		
Human Relations Spec	3760		
Invoice Clerk	1880		
Receptionist/file Clerk	3760		
Records Management Anal	1880		
TOTAL IT SUPPORT	9,400		
Office of Project Mgmt			
Project Monitors/Eng	43240		
Program Support	3760		
AVERAGE RATE TECH SUPPORT			
TOTAL TECHNICAL SUPPORT (Base)			
PROFESSIONAL/ADMINISTRATIVE SUPPORT			
Admin Assistant	3760		
NEPA Specialist	1880		
Procurement Specialist	9400		
Cost/Price Analyst	1880		
Closeout Specialist	1880		
Human Relations Spec	3760		
Invoice Clerk	1880		
Receptionist/file Clerk	3760		
Records Management Anal	1880		
Project Manager	1880		

REDACTED
EXEMPTION 4

REDACTED
EXEMPTION 4

REDACTED
EXEMPTION 4

AVERAGE RATE				
PROFESSIONAL/ADMIN SUPPORT				
TOTAL PROFESSIONAL/ADMIN SUPPORT (Base)	31960			
OMA Support				
Public Affairs Spec	1880			
Paralegal	1880			
TOTAL OMA SUPPORT	3760			
TOTAL CONTRACT (Base)				

REDACTED
EXEMPTION 4

EXHIBIT B
SUMMARY OF DIRECT LABOR BY CONTRACT PERIOD
Contract Period: (Base Year 2)

LABOR CATEGORIES	PROPOSED HOURS	PROPOSED HOURLY RATE*	TOTAL COST
------------------	-------------------	-----------------------------	------------

Administrative and Technical Support

Project Manager	1880	\$	
Project Monitor/Engineer	43240	\$	
Admin Assistant	3760	\$	
Program Support	3760	\$	
Procurement Specialist	9400	\$	
Cost/Price Analyst	1880	\$	REDACTED EXEMPTION 4
NEPA Specialist	1880	\$	
Closeout Specialist	1880	\$	
Public Affairs Spec	1880	\$	
Paralegal	1880	\$	REDACTED EXEMPTION 4
LAN Administrator	1880	\$	
Sr. Technical Support Spec	3760	\$	
Computer Programmer	3760	\$	
Human Relations Spec	3760	\$	
Invoice Clerk	1880	\$	
Receptionist/file Clerk	3760	\$	
Records Management Anal	1880	\$	
TOTAL IT SUPPORT	9,400		REDACTED EXEMPTION 4
Office of Project Mgmt			
Project Monitors/Eng	43240	\$	REDACTED EXEMPTION 4
Program Support	3760	\$	
AVERAGE RATE TECH SUPPORT		\$	
TOTAL TECHNICAL SUPPORT (Base)			
PROFESSIONAL/ADMINISTRATIVE SUPPORT			
Admin Assistant	3760	\$	
NEPA Specialist	1880	\$	
Procurement Specialist	9400	\$	
Cost/Price Analyst	1880	\$	
Closeout Specialist	1880	\$	REDACTED EXEMPTION 4
Human Relations Spec	3760	\$	REDACTED EXEMPTION 4
Invoice Clerk	1880	\$	
Receptionist/file Clerk	3760	\$	
Records Management Anal	1880	\$	
Project Manager	1880	\$	

AVERAGE RATE		\$	REDACTED EXEMPTION 4
PROFESSIONAL/ADMIN SUPPORT			
TOTAL PROFESSIONAL/ADMIN SUPPORT (Base)	31960	\$	
OMA Support			REDACTED EXEMPTION 4
Public Affairs Spec	1880	\$	
Paralegal	1880	\$	
TOTAL OMA SUPPORT	3760	\$	
TOTAL CONTRACT (Base)	237,820	\$	

EXHIBIT B
SUMMARY OF DIRECT LABOR BY CONTRACT PERIOD
Contract Period: (Option Year 1)

LABOR CATEGORIES	PROPOSED HOURS	PROPOSED HOURLY RATE*	TOTAL COST
Administrative and Technical Support			
Project Manager	1880		
Project Monitor/Engineer	43240		
Admin Assistant	3760		
Program Support	3760		
Procurement Specialist	9400		
Cost/Price Analyst	1880		
NEPA Specialist	1880		
Closeout Specialist	1880		
Public Affairs Spec	1880		
Paralegal	1880		
LAN Administrator	1880		
Sr. Technical Support Spec	3760		
Computer Programmer	3760		
Human Relations Spec	3760		
Invoice Clerk	1880		
Receptionist/file Clerk	3760		
Records Management Anal	1880		
TOTAL IT SUPPORT	9,400		
Office of Project Mgmt			
Project Monitors/Eng	43240		
Program Support	3760		
AVERAGE RATE TECH SUPPORT			
TOTAL TECHNICAL SUPPORT			
(Base)			
PROFESSIONAL/ADMINISTRATIVE SUPPORT			
Admin Assistant	3760		
NEPA Specialist	1880		
Procurement Specialist	9400		
Cost/Price Analyst	1880		
Closeout Specialist	1880		
Human Relations Spec	3760		
Invoice Clerk	1880		
Receptionist/file Clerk	3760		
Records Management Anal	1880		
Project Manager	1880		

AVERAGE RATE			
PROFESSIONAL/ADMIN SUPPORT			
TOTAL PROFESSIONAL/ADMIN SUPPORT (Base)	31960		
			REDACTED EXEMPTION 4
OMA Support			
Public Affairs Spec	1880		
Paralegal	1880		
TOTAL OMA SUPPORT	3760		
TOTAL CONTRACT (Base)	237,820		

EXHIBIT B
SUMMARY OF DIRECT LABOR BY CONTRACT PERIOD

Contract Period: (Option Year 2)

LABOR CATEGORIES	PROPOSED HOURS	PROPOSED HOURLY RATE*	TOTAL COST
Administrative and Technical Support			
Project Manager	1880		
Project Monitor/Engineer	43240		
Admin Assistant	3760		
Program Support	3760		
Procurement Specialist	9400		
Cost/Price Analyst	1880		
NEPA Specialist	1880		
Closeout Specialist	1880		
Public Affairs Spec	1880		
Paralegal	1880		
LAN Administrator	1880		
Sr. Technical Support Spec	3760		
Computer Programmer	3760		
Human Relations Spec	3760		
Invoice Clerk	1880		
Receptionist/file Clerk	3760		
Records Management Anal	1880		
TOTAL IT SUPPORT	9,400		
Office of Project Mgmt			
Project Monitors/Eng	43240		
Program Support	3760		
AVERAGE RATE TECH SUPPORT			
TOTAL TECHNICAL SUPPORT			
(Base)			
PROFESSIONAL/ADMINISTRATIVE			
SUPPORT			
Admin Assistant	3760		
NEPA Specialist	1880		
Procurement Specialist	9400		
Cost/Price Analyst	1880		
Closeout Specialist	1880		
Human Relations Spec	3760		
Invoice Clerk	1880		
Receptionist/file Clerk	3760		
Records Management Anal	1880		
Project Manager	1880		

AVERAGE RATE		[]
PROFESSIONAL/ADMIN SUPPORT			
TOTAL PROFESSIONAL/ADMIN SUPPORT (Base)	31960		[
OMA Support			
Public Affairs Spec	1880	[
Paralegal	1880		
TOTAL OMA SUPPORT	3760		
TOTAL CONTRACT (Base)	237,820		

REDACTED
EXEMPTION 4

EXHIBIT B
SUMMARY OF DIRECT LABOR BY CONTRACT PERIOD

Contract Period: (Option Year 3)

LABOR CATEGORIES	PROPOSED HOURS	PROPOSED HOURLY RATE*	TOTAL COST
Administrative and Technical Support			
Project Manager	1880		
Project Monitor/Engineer	43240		
Admin Assistant	3760		
Program Support	3760		
Procurement Specialist	9400		
Cost/Price Analyst	1880		
NEPA Specialist	1880		
Closeout Specialist	1880		
Public Affairs Spec	1880		
Paralegal	1880		
LAN Administrator	1880		
Sr. Technical Support Spec	3760		
Computer Programmer	3760		
Human Relations Spec	3760		
Invoice Clerk	1880		
Receptionist/file Clerk	3760		
Records Management Anal	1880		
TOTAL IT SUPPORT	9,400		
Office of Project Mgmt			
Project Monitors/Eng	43240		
Program Support	3760		
AVERAGE RATE TECH SUPPORT			
TOTAL TECHNICAL SUPPORT (Base)			
PROFESSIONAL/ADMINISTRATIVE SUPPORT			
Admin Assistant	3760		
NEPA Specialist	1880		
Procurement Specialist	9400		
Cost/Price Analyst	1880		
Closeout Specialist	1880		
Human Relations Spec	3760		
Invoice Clerk	1880		
Receptionist/file Clerk	3760		
Records Management Anal	1880		
Project Manager	1880		

AVERAGE RATE		[]	
PROFESSIONAL/ADMIN SUPPORT			
TOTAL PROFESSIONAL/ADMIN SUPPORT (Base)	31960		
			REDACTED EXEMPTION 4
OMA Support			
Public Affairs Spec	1880	[]	
Paralegal	1880		
TOTAL OMA SUPPORT	3760		
TOTAL CONTRACT (Base)	237,820		



EXHIBIT C

EXHIBIT C

**SUMMARY OF ESCALATION FACTORS
(BY CONTRACT YEAR)**

COST ELEMENTS	Base Year 2	OPTION PERIOD 1	OPTION PERIOD 2	OPTION PERIOD 3

**REDACTED
EXEMPTION 4**

NOTES:

No other direct cost elements were escalated



EXHIBIT D

Navarro Research and Engineering, Inc.

Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this proposal.

**EXHIBIT D
SUMMARY OF LABOR FRINGE EXPENSES**

EXPENSE CATEGORY	LAST FISCAL YEAR (ACTUALS)	CURRENT FISCAL YEAR (Est.)	CURRENT +1 FISCAL YEAR (EST.)	CURRENT + 2 FISCAL YEAR (EST.)	CURRENT + 3 FISCAL YEAR (EST.)	CURRENT + 4 FISCAL YEAR (EST.)
FICA						
FUTA						
SUTA						
Vacation/Brev						
Holiday						
Medical						
Dental						
Life						
H&W Benefits						
Bonus						
401k Match						
Tuition Reimb.						
Workers Comp						
Umbrella						
TOTAL EXPENSES						
Base of Application (\$)						
Overhead Rate (%)						

Notes:

Base application for fringe is the labor cost for [REDACTED]

Navarro's fiscal year is calendar year (Jan 1 to Dec 31)

Total company revenue for this year is projected at [REDACTED] Total company revenue last year was [REDACTED]

This contract is in [REDACTED] Details given here are only for [REDACTED]

Navarro has

**REDACTED
EXEMPTION 4**

**EXHIBIT D
SUMMARY OF LABOR OVERHEAD EXPENSES**

EXPENSE CATEGORY	LAST FISCAL YEAR (ACTUALS)	CURRENT FISCAL YEAR (Est.)	CURRENT +1 FISCAL YEAR (EST.)	CURRENT + 2 FISCAL YEAR (EST.)	CURRENT + 3 FISCAL YEAR (EST.)	CURRENT + 4 FISCAL YEAR (EST.)
OH Labor						
OH Fringe						
Recruiting/Ads						
Business Meals			REDACTED EXEMPTION 4			
Travel						
Sub/Consultants						
Incentives						
Hiring Screenings		REDACTED EXEMPTION 4				
Printing				REDACTED EXEMPTION 4		
Conf/Seminar						REDACTED EXEMPTION 4
Business Tax/MOBIS						
Facility Allocation					REDACTED EXEMPTION 4	
TOTAL EXPENSES						
Base of Application (\$)						
Overhead Rate (%)						



EXHIBIT E

Navarro Research and Engineering, Inc.

Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this proposal.

**EXHIBIT E
SUMMARY OF GENERAL & ADMINISTRATIVE EXPENSES**

EXPENSE CATEGORY	LAST FISCAL YEAR (ACTUALS)	CURRENT FISCAL YEAR (Est.)	CURRENT +1 FISCAL YEAR (EST.)	CURRENT + 2 FISCAL YEAR (EST.)	CURRENT + 3 FISCAL YEAR (EST.)	CURRENT + 4 FISCAL YEAR (EST.)
G&A Labor						
Fringe on G&A Labor						
G&A Travel						
G&A Consultants						
G&A Acct/Legal						
G&A Other Taxes & Licenses						
G&A Printing/Reproduction						
G&A Postage Expense						
G&A Dues and Subscriptions						
G&A Conferences						
G&A Temp. Labor Expense						
G&A Small Equipment						
G&A Computer Expense						
G&A Automobile Expense						
G&A Bank Service Charge						
G&A Marketing						
G&A Recruiting						
G&A Insurance Svc Exp						
B&P Labor						
B&P Other						
Fringe on B&P Labor						
Overhead on B&P Labor						
Facility Allocation						
TOTAL EXPENSES						
Base of Application (\$)						
G & A Rate (%)						

**REDACTED
EXEMPTION 4**

EXHIBIT F (sample)
RECONCILIATION OF LABOR CATEGORIES

GOVERNMENT OCCUPATIONAL CATEGORY*	CONTRACTOR'S EQUIVALENT LABOR CATEGORY	CATEGORIES FROM LABOR HOUR SCHEDULE**
--	---	--

Secretary III	Administrative Assistant	Administrative Assistant
Computer Programmer II	Computer Programmer	Computer Programmer
Computer Operator III	LAN Administrator	LAN Administrator
Accounting Clerk IV	Receivables Clerk	Invoice Clerk
General Clerk III	Receptionist	Receptionist/file clerk
Personnel Assistant IV	Human Relations Specialist	Human Relations Specialist

NOTES:

* As reflected on Dept of Labor Wage Determinations (if applicable).

**As reflected in the solicitation.



Basis of Direct Costs

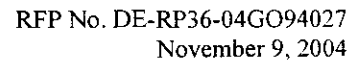
As specified in the request for proposal, the only labor costs were calculated [redacted] were calculated utilizing the following information:

[redacted] Direct
Direct labor rates

- [redacted]
- [redacted]
- [redacted]

REDACTED
EXEMPTION 4

[redacted]



SECTION 2

(i) TOTAL COMPENSATION PLAN

[illegible]



PAID TIME OFF AND HOLIDAYS	
REDACTED EXEMPTION 4	REDACTED EXEMPTION 4

REDACTED
EXEMPTION 4



(ii) Financial Statements

The enclosed schedules present the last two years (2002 and 2003) of audited financial statements including the balance sheets, income statements, statements of retained earnings, and statements of cash flows.

(iii) IMPACT OF PROJECT

The Technical and Administrative Support Services contract for the Golden Field Office represents approximately [] of Navarro's total business volume in terms of total revenue; thus performing this contract is easily within Navarro's financial capabilities, while the contract is sufficiently large enough to receive senior management attention. []

(iv) COGNIZANT GOVERNMENT AUDIT AGENCY

REDACTED
EXEMPTION 4 []

Navarro []

Navarro's cognizant audit office is:

Defense Contract Audit Agency
105 Lea Way
Oak Ridge, TN 37830
(865) 241-1118 []

REDACTED
EXEMPTION 4 []

(v) Facilities Capital Cost of Money

REDACTED
EXEMPTION 4 []

*NAVARRO
RESEARCH AND ENGINEERING, INC.
Oak Ridge, Tennessee*

*FINANCIAL STATEMENTS
December 31, 2003 and 2002*

*NAVARRO
RESEARCH AND ENGINEERING, INC.
Oak Ridge, Tennessee*

*FINANCIAL STATEMENTS
December 31, 2003 and 2002*

CONTENTS

	<u>Page Number</u>
Independent Auditor's Report	1
Balance Sheets	2
Statements of Income	3
Statements of Stockholder's Equity	4
Statements of Cash Flows	5
Notes to the Financial Statements	6-12

John W. Bacon, CPA
Calvin C. Howard, CPA



INDEPENDENT AUDITOR'S REPORT

Board of Directors
Navarro Research and Engineering, Inc.
Oak Ridge, Tennessee

We have audited the accompanying balance sheets of Navarro Research and Engineering, Inc. as of December 31, 2003 and 2002, and the related statements of income, stockholder's equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Navarro Research and Engineering, Inc. as of December 31, 2003 and 2002, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

A handwritten signature in cursive script that reads "Bacon Howard and Company".

Oak Ridge, Tennessee
March 26, 2004

BALANCE SHEETS

LIABILITIES AND STOCKHOLDER'S EQUITY

Current Liabilities

Accounts Payable
 Accrued Salaries and Benefits
 Accrued Expenses
 Corporate Income Taxes Payable
 Line of Credit
 Notes Payable - Short-Term
 Current Portion of Long-Term Debt

Total Current Liabilities

Long-Term Liabilities

Notes Payable - Net of Current Portion
 Deferred Income Taxes

Total Long-Term Liabilities

Total Liabilities

Stockholder's Equity

Common Stock
 Authorized, Issued and Outstanding
 Retained Earnings

Total Stockholder's Equity

**TOTAL LIABILITIES AND STOCKHOLDER'S
 EQUITY**

\$

REDACTED
 EXEMPTION 4

REDACTED
 EXEMPTION 4

REDACTED
 EXEMPTION 4

REDACTED
 EXEMPTION 4

NAVARRO
RESEARCH AND ENGINEERING, INC.

STATEMENTS OF INCOME

Sales

Cost of Sales

Direct Labor

Direct Charges

Total Cost of Sales

Gross Profit

General and Administrative Expenses

Income from Operations

Non-Operating Income (Expense)

Interest Income

Interest Expense

Total Non-Operating Income (Expense)

Income Before Taxes

Provision for Income Taxes

NET INCOME

REDACTED
EXEMPTION 4

REDACTED
EXEMPTION 4

The accompanying notes are an integral part of these financial statements.

*NAVARRO
RESEARCH AND ENGINEERING, INC.*

STATEMENTS OF STOCKHOLDER'S EQUITY

	<u>Common Stock</u>	<u>Retained Earnings</u>	<u>Total</u>
Balance, December 31, 2001			
Net Income - 2002	-	REDACTED EXEMPTION 4	
Less: Distributions to Stockholder			
Balance, December 31, 2002			
Net Income - 2003	-	REDACTED EXEMPTION 4	
Less: Distributions to Stockholder			
Balance, December 31, 2003			

The accompanying notes are an integral part of these financial statements.

NAVARRO
RESEARCH AND ENGINEERING, INC.

STATEMENTS OF CASH FLOWS

Cash Flows from Operating Activities

Net Income

Adjustments to Reconcile Net Income to

Net Cash Provided by Operating Activities

Depreciation

Deferred Income Taxes

Change in Current Assets and Liabilities:

Accounts Receivable

Other Receivables

Prepaid Expenses

Accounts Payable

Accrued Wages and Benefits

Accrued Expenses

Corporate Income Taxes Payable

Net Cash Flows Provided by Operating Activities

Cash Flows from Investing Activities

Advance to Joint Venture

Capital Expenditures on Property and Equipment

Net Cash Flows Used by Investing Activities

Cash Flows from Financing Activities

Borrowing on Note Payable

Total Borrowings from Line of Credit

Total Repayments from Line of Credit

Principal Repayment of Notes Payable

Distributions to Stockholder

Net Cash Provided (Used) by Financing Activities

Net Increase (Decrease) in Cash and Cash Equivalents

Cash and Cash Equivalents, Beginning of Year

Cash and Cash Equivalents, End of Year

Noncash Financing Activities

Purchase of Equipment Financed by Long-Term Debt

REDACTED
EXEMPTION 4

REDACTED
EXEMPTION 4

REDACTED
EXEMPTION 4

The accompanying notes are an integral part of these financial statements.



SECTION 3

SUMMARY OF EXCEPTIONS/DEVIATIONS

Navarro has read, and fully comprehends, the terms of this RFP. We take no exceptions to or deviations from, the stated terms of the request